

MICHAEL BAKER JR., INC.

4601 Business Park Blvd., Suite 28

Anchorage, Alaska 99503

Phone: (907) 562-1399 FAX: (907) 562-9901

Client: Alaska Natural Gas Development Authority

Project: Construct 24" gas spur P/L, one season

Spread No.: 1 winter work

Date: 15-Mar-05

Class 1 location

MAOP 2500 psi

pipe dia. 24 inches

Pipe w.t. 0.521 inches

Pipe wt/ft. 131 pounds

Length 68.5 miles

Length 361,680 feet

Duration 104 shifts

COST SUMMARY**CONSTRUCTION COSTS**

UNIT	DESCRIPTION	(\$m)	(\$)
		Total Cost	Cost/ft.
1	Direct Contractor Construction Costs	\$ 42,190.581	\$ 116.65
2	Indirect Contractor Construction Costs	\$ 20,194.487	\$ 55.84
	Sub-total Contractor Construction Costs	\$ 62,385	\$ 172.49
3	Contractor Markup (20% overhead and profit)		
	Sub-total Contractor Markup	\$ 12,477.014	\$ 34.50
	Total Contractor Costs	\$ 74,862	\$ 206.98

MATERIAL COSTS

1	Material (includes freight)		
	Total Material Costs	\$ 58,470	\$ 161.66

MISCELLANEOUS COSTS

1	Cathodic system protection (allowance, \$18,000 per mile)	\$ 18,000	\$ 1,233	\$ 3.41
2	SCADA and Communications (allowance, \$3.00 per foot)	\$ 3.00	\$ 1,085	\$ 3.00
3	Camp, mobilization, setup, & demobilize (subcontract, LS)	LS	\$ -	\$ -
4	Medical Facility (ambulance, equipment, facility, training) \$125K ea per ANGDA	LS	\$ 125	\$ 0.35
5	Unload, haul and stockpile pipe & materials, based on pipe weight per cwt @4.30	472,512	\$ 2,032	\$ 5.62
6	Gravel Royalty @ 0.75 per cyd	418,704	\$ 314	\$ 0.87
7	Air freight supplies, etc @ \$25.00 per cwt	1,040	\$ 26	\$ 0.07
8	Open pits, mine and process material, cubic yards at \$9.50 per cubic yd.	200,000	\$ 1,900	\$ 5.25
9	HDD, stream crossings (allowance, \$1,075 per foot, 3 total @ 900-ft each)	\$ 1,075	\$ 2,903	\$ 8.03
	Total Miscellaneous Costs	\$ 9,617.371	\$ 26.59	

PROJECT INDIRECT COSTS

		Cost per ft.		
1	Detailed Engineering	\$ 19.28	\$ 6,973	\$ 19.28
2	Surveying	\$ 3.00	\$ 1,085	\$ 3.00
3	Permitting	\$ 3.74	\$ 1,353	\$ 3.74
4	Quality Control	\$ 11.61	\$ 4,199	\$ 11.61
5	Project Management, etc.	\$ 25.48	\$ 9,216	\$ 25.48
6	Puchasing and expediting	\$ 3.74	\$ 1,353	\$ 3.74
	Total Project Indirect Costs	\$ 24,178	\$ 66.85	

SUB-TOTAL, TOTAL PIPELINE COSTS**\$ 167,128 \$ 462.09****OWNERSHIP COSTS**

1	Project management	\$ -	\$ -
2	Cost of Money	\$ -	\$ -
	Total Ownership Costs	\$ -	\$ -

CONTINGENCY ALLOWANCE

1	Contingency		
	Total Contingency cost		\$ -

TOTAL SUMMER CONSTRUCTION PIPELINE COSTS ("Level 0" cost estimate)**\$ 167,127.562 \$ 462.09**